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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
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09/404,518 09/23/99 SERKIN

S 09857/030001

EXAMINER

TM02/0606

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ART UNIT

PAPER NUMBER

2164

DATE MAILED:

06/06/01

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

Office Action Summary

Application No.

09/404,518

Applicant(s)

SERKIN, Stuart et al

Examiner

Jim Calve

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on Sep 23, 1999.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-18 is/are pending in the application.
- 4a) Of the above, claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-18 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on Sep 23, 1999 is/are objected to by the Examiner.
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. § 119

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).
- a) ☐ All b) ☐ Some* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- *See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

Attachment(s)

- 15) ☒ Notice of References Cited (PTO-892)
- 16) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 17) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s). 4
- 18) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 19) ☐ Notice of Informal Patent Application (PTO-152)
- 20) ☐ Other: _____

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DETAILED ACTION

Drawings

1. The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they include the following reference sign(s) not mentioned in the description: (12g) (Figure 1).

Correction is required.

2. The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they do not include the following reference sign(s) mentioned in the description:

a. Quote/order collector facility (25), which is described as being included in storage (22c) and executed in memory (22b), is disclosed in Figure 1 as: "OCF, 25" with an arrow pointing generally to "quote/order collector facility, 20". Also, OCP 25 is disclosed in Figure 2B and page 6, lines 13-14 of the specification.

b. Interface (21) (page 5, line 15) is disclosed as INTERFACE, 27 in Figure 2A.

c. Quote update manager (26e), lock/cross quote manager (26f), odd lot execution manager (26g) are either missing or incorrectly labelled per page 7, lines 2-5 of the specification.

Correction is required.

Specification

3. The disclosure is objected to because of the following informalities:

a. There appears to be a typographical error on page 3, line 6: "market-marker systems 12c" should refer to market maker(s) system(s), per Figure 1, 12c.

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- b. There appears to be a typographical error on page 3, line 29: "each a market maker".
 - c. There appears to be a typographical error on page 10, lines 16-17: "OCF 25", "OCR 25".
 - d. The reference to a copending patent application at page 11, lines 20-25 is incomplete.
 - e. There appears to be a typographical error on page 12, line 9: "OCF 20".
- Appropriate correction is required.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 11-17 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

a. The scope of claim 11 is unclear. The preamble of claim 11 recites "[a] market system", while the body of claim 11, lines 2-9, recite various process steps. Further, it is unclear what novel or non-obvious elements are recited (e.g., a novel/non-obvious process of using a known prior art market system, a novel/non-obvious market system or apparatus that performs particular nove

- b. Claims 16 and 17 recite a "system of claim 1"; however, claim 1 recites a method.

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Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371© of this title before the invention thereof by the applicant for patent.

7. Claims 1-18, as best understood, are rejected under 35 U.S.C. 102(e) as being anticipated by Martyn et al, U.S. patent 6,195,647.

Martyn et al disclose a method, system, and program for executing a market order, including receiving a market participant order (e.g., market maker/other) (e.g., column 2, line 4 et seq; column 3, line 27 et seq; column 8, line 3 et seq), checking market participant identification (e.g., column 7, line 58 et seq; column 8, line 9 et seq) to match quotes of best bid/offer price by market participant identification (e.g., to fulfill preferential orders as a Market Maker in a particular issue) (e.g., column 9, line 29 et seq), matching on a time priority basis (e.g., column 7, line 3 et seq).

Martyn et al also disclose matching-off the order against an opposite side best bid/offer (e.g., column 9, line 47 et seq), matching off without regard to time priority (e.g., column 9, line 29 et seq; column 9, line 65 et seq), canceling a quote (e.g., via kill button 6080) (e.g., Figure 6; column 9, line 35 et seq), routing orders to market participants with the best bid or offer (e.g.,

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column 8, line 3 et seq), checking orders against proprietary/agency quotes (e.g., column 9, line 16 et seq), negotiation order entry system (e.g., SelectNet; column 8, line 3 et seq; column 9, line 24 et seq).

8. Claims 1-18, as best understood, are rejected under 35 U.S.C. 102(b) as being anticipated by Kalmus et al, U.S. patent 4,674,044.

Kalmus et al disclose a method, system, and program for executing market orders, including receiving market orders (e.g., column 1, line 6 et seq), checking if market participant identification of an order matches market participant identification of a system quote at a best bid/offer (e.g., inherently disclosed) (e.g., column 1, line 26 et seq; column 1, line 54 et seq). Kalmus et al are deemed to disclose inherently matching of market participant identification with best bid/offer (e.g., in those instances in which market maker/specialist submits an order in a security in which that party is the principal) (e.g., column 2, line 30 et seq; column 4, line 50 et seq; column 5, line 5 et seq).

Kalmus et al also disclose routing and matching-off best bids and offers without regard to time priority (e.g., column 1, line 54 et seq; column 4, line 22 et seq; column 5, line 5 et seq; column 5, line 60 et seq; column 9, line 50 et seq), calling a cancel request to cancel a quote (e.g., column 5, line 35 et seq), proprietary and agency quotes (e.g., column 4, line 15 et seq; column 5, line 30 et seq; column 5, line 60 et seq), negotiation (e.g., column 5, line 35 et seq), order execution systems (e.g., column 10, line 24 et seq).

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Claim Rejections - 35 USC § 102/103

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 1-5, 9-13, and 18, as best understood, are rejected under 35 U.S.C. 102(e) as anticipated by or, in the alternative, under 35 U.S.C. 103(a) as obvious over Gutterman et al, U.S. patent 5,297,031.

Gutterman et al disclose a method, system, and program for executing market orders, including receiving a market order (e.g., column 2, line 32 et seq; column 5, line 59 et seq), checking if market participant identification of an order matches market participant identification of a system quote at a best bid/offer (e.g., column 5, line 9 et seq). Gutterman et al are deemed to disclose a method, system, and program that matches best bid/offer prices in a system against market participant orders by identification. To the extent that Gutterman et al could be interpreted otherwise, it would have been obvious to one of ordinary skill in the art at the time of the invention to provide such allow internal matching or netting of market participant orders against a market participant's book as a means of maintaining a market in a particular security (e.g., column 5, line 4 et seq).

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Guttermann et al also disclose matching best bid and offer without regard to time priority (e.g., with respect to price) (e.g., column 5, line 9 et seq), calling a cancel request (e.g., at block 140 in Figure 2b).

Conclusion

11. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- a. Lupien et al, U.S. patent 6,098,051.
- b. Keiser et al, U.S. patent 5,950,176.
- c. Lupien et al, U.S. patent 5,101,353.
- d. Braddock, III, U.S. patent 4,412,287.
- e. Silverman et al, EPO 407,026.

12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jim Calve, whose telephone number is (703) 308-1884. The examiner can be reached on Monday through Friday from 6:45 am to 6:45 pm. If the examiner is unavailable, the examiner's supervisor, Vincent Millin, may be reached at 703-308-1065. The fax number of the organization is 703-308-9051/9052. Any inquiry of a general nature should be directed to the receptionist at 703-305-3900.

JPC
JPC

May 30, 2001


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SUPERVISORY PATENT EXAMINER
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